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**NLRB GENERAL COUNSEL MEISBURG APPROVES WITHDRAWAL OF  
CHARGES IN RALPHS GROCERY COMPANY LOCKOUT CASES**

National Labor Relations Board General Counsel Ronald Meisburg today announced that he has approved the withdrawal of unfair labor practice charges filed by various locals of the United Food and Commercial Workers Union alleging that Ralphs Grocery Company violated the National Labor Relations Act by engaging in an unlawful partial lockout during negotiations for a new collective bargaining agreement. Withdrawal of the unfair labor practice charges was an express condition of a plea agreement in a criminal case brought against Ralphs by the United States Attorneys Office in Los Angeles, California, that was approved by a United States District Court on October 16, 2006.

The NLRB, an independent federal agency, enforces the NLRA by investigating and resolving allegations of unfair labor practices by private sector employers and unions. The NLRA grants the General Counsel final authority with respect to the investigation of unfair labor practice charges and the issuance of unfair labor practice complaints.

This case before the General Counsel involved unfair labor practice allegations that were directed against Ralphs because of its October 2004 lockout of approximately 20,000 grocery workers in Southern California. The charges alleged that, during its partial lockout, Ralphs violated the NLRA by secretly rehiring employees in the bargaining unit represented by the Unions under false names and social security numbers. The Regional Director for Region 31, in Los Angeles, based on the evidence available at the time, dismissed this portion of the charges, but found that Ralphs violated the NLRA by bypassing the Unions and dealing directly with bargaining unit employees concerning the terms and conditions of their employment during the partial lockout. The Unions appealed the Regional Director's dismissal to the General Counsel.

Thereafter, the General Counsel and his staff had extensive meetings both with counsel for the employer and counsel for the charging party unions concerning the issues raised by all the charges and the employer's defenses to those charges. These matters were also the subject of supplemental briefing by the parties.

In the meantime, criminal charges arising out the same course of conduct were presented to a grand jury by the United States Attorneys Office in Los Angeles, which secured an indictment on a large number of those charges. Ralphs' agreement to plead guilty to certain criminal charges was the basis for the resolution of the criminal case recently approved by the federal district court.

Specifically, Ralphs admitted that it violated a number of criminal laws by hiring employees under false names and social security numbers during the economic lockout and by concealing relevant information about those employees' employment. Ralphs has agreed to pay fines to the government and to make restitution for the harms traceable to these admitted criminal violations. However, Ralphs denied violating or intending to violate the National Labor Relations Act and the Unions agreed to request that their charges alleging violations of the National Labor Relations Act be withdrawn.

In explaining his approval of the withdrawal of the unfair labor practice charges as called for in the plea agreement, General Counsel Meisburg stated:

These cases presented very difficult and unique issues under the National Labor Relations Act, and I am pleased to see this labor dispute resolved to the mutual satisfaction of the parties. It is in the context of my consideration of the important and difficult labor law issues in this case that I have decided to approve the request to withdraw the pending unfair labor practice charges as part of a resolution of the criminal charges.

Among the factors that the Board considers in approving the withdrawal of charges as part of an overall settlement are "the risks involved in protracted litigation which may be lost in whole or in part, the early restoration of industrial harmony by making concessions, and the conservation of the Board's resources." *Independent Stave Co.*, 287 NLRB 740, 741 (1987). All these factors support my granting the requested withdrawal. The resolution of this controversy effectuates the purposes and policies of the National Labor Relations Act.

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